

FEB 28 2013

SENATE RESOLUTION

REQUESTING CONGRESS TO PROVIDE AN EXEMPTION OR A SUNSET WAIVER
FOR HAWAII FROM THE JONES ACT TO LOWER CONSTRUCTION COSTS
AND PROVIDE NEW TONNAGE.

1 WHEREAS, historically the United States has sought to
2 protect its shipping industry through carbotage laws, such as
3 the Merchant Marine Act of 1920, commonly known as the Jones
4 Act; and
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6 WHEREAS, the Jones Act strictly limits the shipping of
7 merchandise between the United States and its territories to
8 American-built and registered ships crewed by United States
9 citizens; and
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11 WHEREAS, eighty percent of the goods consumed in Hawaii are
12 imported from the mainland or foreign countries, and ninety-
13 eight percent of these goods come by ship; and
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15 WHEREAS, while transpacific shipping costs are some of the
16 lowest in the world, especially from the United States to Asia,
17 the freight rates between the mainland and Hawaii are some of
18 the highest; and
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20 WHEREAS, much of the high cost of living in Hawaii can be
21 attributed to unnecessarily high shipping costs caused by the
22 Jones Act; and
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24 WHEREAS, such excess costs present an immense and unfair
25 burden on the people of Hawaii; and
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27 WHEREAS, Congress already recognized the unique aspects of
28 the Pacific region and the excessive burdens placed on it by the
29 Jones Act when it exempted the Commonwealth of the Northern
30 Mariana Islands and American Samoa from the applicability of the
31 Jones Act; and
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33 WHEREAS, the almost total dependence on sea freight
34 services makes the economy of Hawaii extremely sensitive to even
35 minor restrictions or disruptions in transportation; and



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WHEREAS, any disruption in the delivery of oil, food, or other vital goods would severely threaten the health, safety, and security of residents of Hawaii; and

WHEREAS, an exemption from the Jones Act would protect the collective health, safety, and security of the people of Hawaii and would also foster shipping competition that will economically benefit consumers; and

WHEREAS, the federal Government Accountability Office by letter dated April 10, 2012, indicated that it would release a report by February 28, 2013, on its review of the Jones Act and its effect upon the economy of Hawaii, among other places; and

WHEREAS, it is anticipated that the report of the Government Accountability Office will recommend that a "sunset waiver" be created to provide an exemption for Hawaii from the Jones Act that would result in lower constructions costs and allow for new tonnage and more ships to serve Hawaii; now, therefore,

BE IT RESOLVED by the Senate of the Twenty-seventh Legislature of the State of Hawaii, Regular Session of 2013, that this body respectfully requests the Congress of the United States to pass legislation granting an exemption or a sunset waiver from the Jones Act to Hawaii; and

BE IT FURTHER RESOLVED that this body respectfully requests the President of the United States and his administration to support the Congressional legislation requested herein; and

BE IT FURTHER RESOLVED that Hawaii's congressional delegation is urged to request Congress to exempt Hawaii from the Jones Act; and

BE IT FURTHER RESOLVED that certified copies of this Resolution be transmitted to the President of the United States, Vice President of the United States, Speaker of the United States House of Representatives, Secretary of the United States



1 Department of Transportation, and members of Hawaii's
2 Congressional delegation.

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OFFERED BY:



